

Article - Public Utilities

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§7-106.

(a) This section does not qualify, limit, or abridge the power and authority, or the manner of exercise of any power and authority, conferred on a municipal corporation by its charter or a special act of the General Assembly to sell, lease, exchange, or otherwise dispose of any electric plant or gas plant.

(b) This section does not apply to:

(1) Talbot County;

(2) Washington County; or

(3) the municipal corporation of Berlin, Centreville, Hagerstown, Rock Hall, or Snow Hill.

(c) Subject to subsection (d) of this section, a municipal corporation that owns an electric plant or a gas plant may sell, lease, exchange, or otherwise dispose of the plant, or any part of or interest in the plant, to any electric company or gas company on terms and conditions determined by the municipal corporation.

(d) (1) The sale, lease, exchange, or other disposition of an electric plant or a gas plant by a municipal corporation is subject to approval by the Commission.

(2) If the Commission approves the sale, lease, exchange, or other disposition, at least twice within 15 days after the date of the order of approval by the Commission, the municipal corporation shall publish notice of the sale, lease, exchange, or other disposition and of the approval by the Commission:

(i) in a newspaper published in the municipal corporation; or

(ii) if no newspaper is published in the municipal corporation, in a newspaper published in the county in which the municipal corporation is located.

(e) (1) A proposed sale, lease, exchange, or other disposition of a municipally owned electric plant or gas plant shall be ratified at a special election by the affirmative vote of a majority of the residents of the municipal corporation eligible to vote at the last preceding regular election for municipal officers if a petition, subject to paragraph (2) of this subsection, is delivered to the municipal corporation

requesting the municipal corporation to hold a special election for the ratification or disapproval of the proposed sale, lease, exchange, or other disposition.

(2) A petition under paragraph (1) of this subsection shall be:

(i) in writing;

(ii) signed by at least 10% of the residents of the municipal corporation eligible to vote at the last preceding regular election for municipal officers; and

(iii) delivered within 30 days after the date of publication of the second notice required under subsection (d)(2) of this section.

(3) The municipal corporation shall hold a special election under this subsection at the time and place in the municipal corporation and in the manner that the municipal corporation requires.

(4) If the sale, lease, exchange, or other disposition is ratified at the special election, the municipal corporation shall consummate the sale, lease, exchange, or other disposition.

(f) (1) If a petition for a special election is not delivered to the municipal corporation in accordance with subsection (e) of this section:

(i) ratification at a special election is not required; and

(ii) the municipal corporation shall consummate the sale, lease, exchange, or other disposition.

(2) A sale, lease, exchange, or other disposition that is consummated under this subsection is as valid and effective as a disposition ratified under subsection (e) of this section.

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